



DAL PROPERTIES LLC

255 W. Julian Street, Suite 502
San Jose, CA 95110-2405

October 20, 2006

Phone: 408.298.9302
Fax: 408.298.9306
Email: DALPropertiesLLC.com

Mayor and Council Members
City of San Jose
200 E. Santa Clara Street
San Jose, CA 95113

RE: EVP Pool Allocation
Fees and Requirements

Dear Hon. Mayor and Council Members:

When considering the EVP Pool Allocation criteria, I would ask that the City Council not overburden the smaller property owners with excessive transportation impacts fees, amenities fees and other EVP requirements. It is also noteworthy that the smaller property owners did not have the benefit of being represented on the Evergreen East Hills Visioning Task Force when these new traffic and amenities fees were being considered.

I support the 3rd EVP draft as prepared by staff that does not impose an affordability requirements to the allocation pool. As a developer of affordable and market rate housing, I believe that housing affordability is best accomplished as part of larger planned parcels or mixed use developments. The recommendation authored by Jim Zito and voted on by the Task Force "includes a requirement that any additional development projects of 10 units or more ... provide a minimum of 15% or 2 units, which ever is greater, of deed restricted affordable units." (Item 4.) Trying to impose affordable housing requirements, in addition to excessive fees will make development of the small and mid-sized properties more difficult, and it would be unfair. It would impose further hardships on small and medium size property owners in Evergreen.

These small and medium sized infill parcels in Evergreen, should be designed to be complementary and compatible with their surrounding single family neighborhoods. Overburdening them with excessive traffic/amenity fees and requirements will limit the ability of these sites to be developed in a manner that can best address neighborhood interests and concerns.

Please consider these factors when adopting the EVP policy and fees.

Sincerely,

Charles W. Davidson